

DAILY BULLETIN

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U.S. DEMANDS AGRICULTURE TARIFF CUTS OF TRADING PARTNERS AT WTO

Members of Congress reject further concessions..... 1

STATE OFFICIAL SAYS U.N. REFORM PROCESS SLOW, INADEQUATE

More effective U.N. in all members' interests, especially developing countries 2

TO WALK THE EARTH IN SAFETY

U.S. Actions to Clear Landmines and Stem Illicit Trafficking of Small Arms and Light Weapons..... 3

IRAN AT A CROSSROAD

An Historic Opportunity for A Better Future..... 4

U.S. DEMANDS AGRICULTURE TARIFF CUTS OF TRADING PARTNERS AT WTO

Members of Congress reject further U.S. concessions

By Bruce Odessey
Washington File Staff Writer

Washington -- A top U.S. official heading for World Trade Organization (WTO) negotiations in Geneva says trading partners must make big tariff-cutting concessions on agricultural goods.

"We want an ambitious outcome, a big outcome," U.S. Trade Representative Susan Schwab said at a June 27 news conference at the U.S. Congress. "We have no intention of settling for something less."

Schwab and Agriculture Secretary Mike Johanns are heading for meetings in Geneva through July 2 with ministers from other key markets to try to achieve breakthroughs in cutting agricultural and industrial tariffs in the long-stalled negotiations, formally called the Doha Development Agenda.

Almost since the launch in 2001, the Doha round has been stuck over politically difficult agricultural trade issues. In October 2005, the United States released a proposal to reduce sharply U.S. domestic support for farmers and agricultural tariffs if other countries reciprocate with big tariff cuts.

Since then, the European Union (EU), which spends twice as much as the United States on domestic sup-

port and imposes average agricultural tariffs more than twice as high, has submitted an offer that, by most analyses, provides no real new access to its markets.

A group of rapidly growing, emerging economies, led by Brazil and India, has proposed tariff cuts much smaller than the U.S. offer.

But that group and the EU have begun demanding that the United States accept even sharper cuts to domestic support.

Members of Congress at the briefing vigorously rejected such demands.

"No other country has introduced a proposal that even comes close to the U.S. proposal, and now we're being called on to give even more and receive less," said Representative Bob Goodlatte, Republican chairman of the House of Representatives Agriculture Committee.

"There is absolutely no support in the Congress for further concessions on our part," he said. "No deal is better than a bad deal."

The WTO goal is to achieve a Doha round agreement by the end of 2006, well ahead of the mid-2007 expiration of U.S. trade negotiating authority. Some experts have expressed skepticism that it will happen.

Schwab, however, emphasized the importance of the agreement to the global economy. She said much work remains to be done in the short time ahead. While Schwab called the days ahead crucial, she made no prediction about Doha round prospects if negotiators fail again to achieve breakthroughs at the upcoming meetings.

"The critical point is substance over timing," she said. "We need to achieve the kind of outcome this week in substance that we can bring home to leaders and members of the United States Congress."

The rest of the world should not count on Congress renewing trade negotiating authority, she said, citing the lapse in authority of more than eight years until 2002.

Senator Saxby Chambliss, Republican chairman of the Senate Agriculture Committee, rejected a suggestion that the United States go along with a proposal by West African countries and their supporters to cut domestic

support spending for cotton farmers in advance of a comprehensive WTO agreement.

"We're not going to accept any early-harvest provision with respect to cotton," Chambliss said. "Cotton needs to be treated ... just like any other crop."

A related fact sheet can be accessed at the State Department Web site:

<http://www.state.gov/r/pa/scp/2006/68293.htm>

For additional information, see USA and the WTO:

http://usinfo.state.gov/ei/economic_issues/WTO.html

STATE OFFICIAL SAYS U.N. REFORM PROCESS SLOW, INADEQUATE

More effective U.N. in all members' interests, especially developing countries

Washington -- Not enough progress has been made to date in reforming the United Nations, a senior State Department official says.

The reforms that the United States, Japan and several other U.N. members seek "should be acceptable to every member state," Kristen Silverberg, assistant secretary of state for international organization affairs, said during a June 27 interview with Robert McMahon, deputy editor at the Council on Foreign Relations.

Developing countries have the most to gain by more effective and transparent U.N. programs, although -- surprisingly -- many of them object to the reforms, she said. "They have more incentive than anyone to have an effectively functioning Secretariat," Silverberg said.

The reform proposals, Silverberg said, are intended to hold the United Nations to higher standards of integrity and ethics, modernize business practices needed to function effectively and utilize members' resources effectively to solve important problems.

"The developing countries need a United Nations that can help address critical poverty and development issues, that can address emerging diseases, [and] promote democratic reforms," she said. "We hope we'll be able

to get past some of the power politics in the debate in New York and get down to the essence of the issues,” she added.

Though too slow overall, some useful reform initiatives have been approved, Silverberg said. They include establishing the ethics office, improved “whistleblower” protections, more financial disclosure and a Peacebuilding Commission.

“We think these are all a good move in the right direction,” she said, “but we think the process has been too slow.”

For those who fear that the new Peacebuilding Commission will supplant existing U.N. offices, Silverberg said that, on the contrary, it would not assume any of the functions from any existing U.N. entities, but rather will serve as a coordinating body.

“It really is a way of getting all of the U.N. players, along with critical donors and other players, in one room to help make sure we are working off of a coordinated country plan,” she said.

Meanwhile, Silverberg said the United States is not convinced that the U.N. procurement practices that allowed the Oil-for-Food scandal to occur have been addressed fully.

“We think that’s an issue that needs a lot of attention,” she said. “[W]e intend to make sure the U.N. takes the steps to make sure that it doesn’t happen again.”

The ultimate test of the United Nations, Silverberg said, is that it is able to take actions to address critical problems, whether preventing suffering in Darfur, supporting democratic reform in Burma, confronting Iranian nuclear ambitions or facilitating African economic development.

For more information, see U.S. and U.N. Reform: http://usinfo.state.gov/is/international_security/UNGA_2005.html

TO WALK THE EARTH IN SAFETY

U.S. Actions to Clear Landmines and Stem Illicit Trafficking of Small Arms and Light Weapons

The 6th Edition of *To Walk the Earth in Safety*, a comprehensive report on United States efforts to clear landmines, assist landmine survivors, and reduce trafficking of small arms and light weapons, has been released by the Office of Weapons Removal and Abatement in the U.S. Department of State’s Bureau of Political-Military Affairs. This publication catalogues the activities of the interagency U.S. Humanitarian Mine Action Program in 30 countries in 2004 and 2005.

“This edition also reflects progress by its omissions,” stated Dr. John Hillen, the Assistant Secretary of State for Political-Military Affairs, in the forward to the report. The U. S. assistance that enabled Costa Rica, Djibouti, Guatemala, and Honduras to become free from the humanitarian impact of landmines, means that they are not mentioned in this edition in the report.

During the period covered by this report, the United States announced its new, precedent-setting landmine policy, and banned the use of all non-detectable mines as part of that policy, surpassing several of the provisions of both of the world’s international landmine treaties, including Amended Protocol II to the Convention on Certain Conventional Weapons to which the United States is a party. United States total contributions to humanitarian mine action also passed the \$1 billion mark in 2005.

The report profiles the Office of Weapons Removal and Abatement (www.state.gov/t/pm/wra), the U.S. Department of Defense’s Humanitarian Demining Training Center, the Humanitarian Demining Research and Development Program of the U.S. Army’s Night Vision and Electronic Sensors Directorate, the Mine Action Information Center at James Madison University, the Mine Detection Dog Center for South East Europe in Bosnia and Herzegovina, and the Regional Center for Underwater Demining in Montenegro. The report also features vignettes on the U.S. Department of State’s Quick Reaction Demining Force, the only standing humanitarian demining unit that can rapidly deploy worldwide, and U.S. efforts to keep man-portable air defense systems (MANPADS) out of the hands of criminals and terrorists.

To request a copy of *To Walk the Earth in Safety*, email your complete mailing address and postal (or Zip) code to John Stevens at: SteveJE@state.gov.

An online version will be posted shortly at:
www.state.gov/t/pm/rls/rpt/walkearth.
 Previous editions may also be downloaded from that site.

IRAN AT A CROSSROAD

An Historic Opportunity for A Better Future

The Iranian Challenge

By pursuing nuclear activities that mask its effort to acquire nuclear weapons, the Iranian regime is acting in defiance of its treaty obligations, of the United Nations Security Council, and of the International Atomic Energy Agency. Nuclear weapons in the hands of this regime would be a grave threat to people everywhere. The leaders of Iran also sponsor terror, deny liberty and human rights to their people, and threaten the existence of Israel.

Unified Diplomatic Approach

President Bush has consulted closely with leaders in Europe, particularly in the United Kingdom, Germany and France, and with the Presidents of Russia and China, and all have agreed on a common diplomatic approach. The United States has offered to come to the table with its partners and to meet with Iran's representatives as soon as the Iranian regime fully and verifiably suspends its uranium enrichment and reprocessing activities.

A Clear Choice for Iran

The Iranian regime has an historic opportunity to set its country on a better course. If Iran accepts the new diplomatic offer and voluntarily suspends its nuclear activities, an agreement can be worked out that will bring Iran real economic, social and political benefits. If Iran's leaders reject the offer, it will result in Security Council action, further isolation from the world, and progressively stronger political and economic sanctions.

Iran's Rich History and Talented People

The United States respects the Iranian people and their country and admires its rich history, vibrant culture, and many contributions to civilization. When Cyrus the Great led the Iranian people over 2,500 years ago, he issued

one of the world's first declarations of individual rights, including freedom of religion. Through the centuries, Iranians have achieved distinction in medicine and science, poetry and philosophy, and countless other fields. In the 21st century, the people of Iran, including their talented and educated youth, are among the world's leaders in science and technology, and have a large presence on the Internet.

Iran's Right to Develop Peaceful Nuclear Energy

Iranians look to make greater progress including the development of civilian nuclear energy. The United States believes the Iranian people should enjoy the benefits of a truly peaceful program to use nuclear reactors to generate electric power. We support the Iranian people's rights to develop nuclear energy peacefully, with proper international safeguards.

The Future of the Iranian People

The people of Iran, like people everywhere, want and deserve the opportunity to determine their own future, an economy that rewards their intelligence and talents, and society that allows them to pursue their dreams. The United States believes that Iranians would thrive if they were given more opportunities to travel and study abroad, and to do business with the rest of the world. In America, Iranian Americans have used their freedom to advance in society, and make tremendous contributions in areas from business to medicine to academe.

New Opportunities for Contact

The United States is looking for new ways to increase contact between Americans and Iranians, especially in education and culture, sports and tourism. More than \$75 million will be devoted to this goal in 2006. These funds will expand and improve radio and television broadcasts to the Iranian people, establish student and faculty exchanges, and support Iranian human rights advocates and civil society organizations.

America's Hope for Iran

Americans believe the future of Iran will be decided by the people of Iran, and we believe that future can be one of progress and prosperity and achievement. We look forward to the day when our nations are friends, and when the people of Iran enjoy the full fruits of liberty, and play a leading role to establish peace in the world.

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